

HOUSE BILL REPORT

HB 1168

As Reported by House Committee On:

Health Care
Appropriations

Title: An act relating to reimportation of prescription drugs.

Brief Description: Authorizing the state board of pharmacy to regulate nonresident Canadian pharmacies.

Sponsors: Representatives Appleton, O'Brien, Cody, Campbell, Moeller, P. Sullivan, Chase, Flannigan, McCoy, Sells, Simpson, Darneille, Hasegawa, McIntire, Murray, McDermott, Morrell, Green, Schual-Berke, Kagi, Kessler, Dickerson, Kenney, Hankins, Conway, Lantz, Ormsby, Wallace and Upthegrove.

Brief History:

Committee Activity:

Health Care: 1/25/05, 2/1/05 [DPS];

Appropriations: 2/7/05, 2/9/05 [DP2S(w/o sub HC)].

Brief Summary of Second Substitute Bill

- Requires the Department of Health to license Canadian pharmacies that provide services to Washington residents.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Cody, Chair; Morrell, Vice Chair; Appleton, Clibborn, Green, Moeller and Schual-Berke.

Minority Report: Do not pass. Signed by 6 members: Representatives Bailey, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander, Condotta, Hinkle and Skinner.

Staff: Dave Knutson (786-7146).

Background:

The Department of Health (Department) currently licenses pharmacies located in Washington state, and out-of-state pharmacies that provide services to Washington residents. The Department maintains reciprocal licensing agreements with other state's pharmacy licensing authorities. The Department does not license pharmacies located in foreign countries.

Summary of Substitute Bill:

The Department of Health will license any Canadian pharmacy that ships, mails, or delivers prescription drugs to Washington residents. If the Department is unable to develop a licensing agreement with Health Canada or a Canadian province, it will license participating Canadian pharmacies through on-site inspection and certification.

Substitute Bill Compared to Original Bill:

The Board of Pharmacy is not required to enter into a reciprocal licensing agreement with Health Canada or Canadian provinces.

Appropriation: None.**Fiscal Note:** Available.**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.**Testimony For:** Residents without prescription drug coverage are purchasing drugs from Canadian pharmacies. The Board of Pharmacy should license Canadian pharmacies to protect Washington residents.**Testimony Against:** The state will assume the liability for anything bad that happens as a result of drug importation.**Persons Testifying:** (In support) Representative Appleton, prime sponsor; Ruth Shearer, Senior Lobby; Eleanor Owen, National Alliance for the Mentally Ill, Older Women's League, Mental Health Association of Washington, and Health Care for All of Washington; Bill Daley, Washington Citizen Action; Dr. Art Zoloth, Northwest Pharmacy Services; and Robby Stern, Washington State Labor Council.

(Opposed) Cliff Webster, Pharmaceutical Research and Manufacturers of America.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care. Signed by 17 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia and Schual-Berke.

Minority Report: Do not pass. Signed by 11 members: Representatives Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Buri, Clements, Hinkle, Pearson, Priest, Talcott and Walsh.

Staff: Amy Hanson (786-7118).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care:

The Board of Pharmacy is required to enter into a reciprocal licensing agreement with Health Canada or Canadian provinces.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The prescription drug bills will directly benefit seniors who are exhausting their life savings or individuals in recovery from mental illness who can work and want to work but can't afford to lose their Medicaid prescription drug benefit. Passage of these bills will help restore a fair playing field for everyone.

Testimony Against: None.

Persons Testifying: Duane Thurman and Pete Cutler, Health Care Authority; and Eleanor Owen, Older Women's League, Health Care For All of Washington, and Mental Health Association of Washington.

Persons Signed In To Testify But Not Testifying: None.